

§ 352.8

31 CFR Ch. II (7–1–04 Edition)

§ 352.8 Reinvestment of matured Series H bonds.

(a) *General.* The proceeds of matured Series H bonds, whether purchased for cash or issued in exchange for other securities, may be reinvested in Series HH bonds. Tax deferral granted to interest earned on securities exchanged for Series H bonds may not be continued when the Series H bonds reach final maturity and their proceeds are reinvested in Series HH bonds. The amount appearing in the legend on a matured Series H bond on which tax deferral was granted must be reported for Federal income tax purposes for the year of such final maturity.

(b) *Rules.* The reinvestment transaction will be subject to the rules governing exchanges, as set forth in § 352.7 of this Circular, and the Series HH bonds issued on reinvestment will be identical in all respects with those issued in a non-tax-deferred exchange.

§ 352.9 Delivery of bonds.

Authorized issuing agents will deliver Series HH bonds by mail at the risk and expense of the United States to the address given by the applicant, if it is within the United States, one of its territories or possessions, or the Commonwealth of Puerto Rico. No mail deliveries elsewhere will be made. Bonds acquired by a citizen of the United States residing abroad will be delivered only to such address in the United States as the applicant directs.

§ 352.10 Taxation.

The interest paid on Series HH bonds is subject to all taxes imposed under the Internal Revenue Code of 1954, as amended. The bonds are subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or

interest by any State or any local taxing authority.

§ 352.11 Reservation as to issue of bonds.

The Commissioner of the Public Debt, as delegate of the Secretary of the Treasury, reserves the right to reject any application for Series HH bonds, in whole or in part, and to refuse to issue or permit to be issued any bonds in any case or class of cases, if the action is deemed to be in the public interest. The Commissioner's action in such respect is final.

§ 352.12 Waiver.

The Commissioner of the Public Debt, as delegate of the Secretary of the Treasury, may waive or modify any provision of this Circular in any particular case or class of cases for the convenience of the United States or in order to relieve any person or persons of unnecessary hardship if:

(a) Such action would not be inconsistent with law or equity;

(b) It does not impair any existing rights; and

(c) The Commissioner is satisfied that such action would not subject the United States to any substantial expense or liability.

§ 352.13 Fiscal agents.

(a) Federal Reserve Banks and Branches, referred to below, as fiscal agents of the United States, are authorized to perform such services as may be requested of them by the Secretary of the Treasury, or his or her delegate, in connection with the issue, servicing, and redemption of Series HH bonds.

(b)(1) The following Federal Reserve Offices have been designated to provide savings bond services:

Servicing office	Reserve districts served	Geographic area served
Federal Reserve Bank, Buffalo Branch, P.O. Box 961, Buffalo, NY 14240.	New York, Boston	CT, MA, ME, NH, NJ (northern half), NY (City & State), RI, VT, Puerto Rico and Virgin Islands.
Federal Reserve Bank, Pittsburgh Branch, P.O. Box 867, Pittsburgh, PA 15230.	Cleveland, Philadelphia.	DE, KY (eastern half), NJ (southern half), OH, PA, WV (northern panhandle).
Federal Reserve Bank of Richmond, P.O. Box 27622, Richmond, VA 23261.	Richmond, Atlanta	AL, DC, FL, LA (southern half), MD, MS (southern half), NC, SC, TN (eastern half), VA, WV (except northern panhandle).